power to fix maximum retail price for LPG at par with the PSU oil companies; and

(c) whether Reliance Industries and GAIL will also be directed to allot LPG outlets for the weaker sections of the society as is being done by PSU oil companies?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) The matter is under consideration.

**IOC's investments abroad**

2268. SHRI KARNENDU BHATTACHARJEE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that IOC is set to become a single larger investor abroad by developing a gas block in the gigantic South Pars Offshore Fields alongwith Petroparas of Iran to produce liquefied natural gas;

(b) what is the expected amount to be invested for the purpose; and

(c) by when the Petro-chemical complex is expected to function?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) On 1.11.2004, Indian Oil Corporation Ltd. (IOC) and Petropars Ltd. of Iran have signed a Memorandum of Understanding to explore the possibility of developing an integrated project in Iran, consisting of:

(i) the "Upstream facilities" of one of the phases of the South Pars Gas Field for production of sufficient feed gas to produce 9.0 Million Tonnes of LNG per year in the related downstream facilities for liquefaction of gas; and

(ii) the related downstream Gas Liquefaction facilities ("LNG Facilities").

IOC and Petropars have submitted a pre-proposal to the National Iranian Oil Company (NIOC) on 28.2.2005 for in principle approval for the joint development of the inegrated project, on nomination basis.

(b) The investment requirement would be worked out later, based on the Detailed Feasibility Reports to be prepared after receipt of in-principle approval of NIOC.

(c) The feasibility of participation in Iran's 12th Olefin Complex is also being contemplated by IOC, for which a detailed feasibility study is proposed to be undertaken jointly with the National Petrochemical Company of Iran.

**Long term contracts for import of crude**

2269. SHRI R.P. GOENKA : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that a revised strategy has been worked out to seek long term contracts, beyond one year as per the present practice, for import of crude oil, to ensure security of supplies at steady prices, in the backdrop of demand explosion in Asia, particularly in China and India; and

(b) if so, the details thereof and the result of discussions held, if any, with the leading oil suppliers in the Middle-East and elsewhere?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) The question of longer-term supply contracts was raised by India at the first round- table of Asian Oil Ministers on regional cooperation in the oil & gas economy held in New Delhi on 6th January, 2005 which was attended by Ministers/representatives from Iran, Japan, Malaysia, Oman, Qatar, Saudi Arabia, UAE, Kuwait, China, Korea besides host India. The inaugural address of the Minister of Petroleum and Natural Gas, Govt, of India as the Chairman of the Round Table, and the Closing Statement by the Chairman setting out the draft conclusions of the conference are attached as Statement. (See below) Public sector oil companies factor in long-term contracts in their purchase arrangements, as appropriate, but it may be noted that long-term contracts only provide for assurance of supplies; prices are linked to periodic variations in international markets.

***Statement***

*The Inaugural Address of Chairman of Round Table Conference*

Your Excellency, the co-host of this conclave, the distinguished Head of Delegation of the Emirate of Kuwait,

Your Excellencies, Ministers and Heads of Delegation from the prinicpal